

State of Alaska, Japan Office

Vol. 3, No. 3 – February 16, 2001

Alaskan Opilio

Our first report on purchases of Alaskan opilio was the concluded agreement between a Japanese importer and Trident. Following that agreement, another was reached between Royal Aleutian and Nichimo for 300 tons of Alaska opilio to be processed in China, with a similar negotiation in discussion between Norquest and Toyo Suisan.

The Trident/Taisei purchase is for 300 tons of opilio, followed by another agreement with Sekido - 170 tons, Hanwa Kogyo - 100 tons, and Tokai Denpun - 100 tons, for a grand total of 670 tons of opilio purchase agreements. Taisei will process its Alaskan opilio in China through a joint venture with Marubeni. The other companies will be marketing their products within Japan. Hanwa Kogyo will distribute its product to a known dealer of Alaskan seafood and a processor located in Osaka.

(Nikkan Seafoods News, February 13, 2001)

Nichiro's Salmon Buying Strategy

Nichiro Corporation plans to increase its purchase of sockeye salmon and trout from last year. This includes both natural, farmed salmon, and chums, with significant increases expected in farmed salmon. The forecasted purchases are as follows:

Natural Salmon

- 6,000 tons of sockeye
- 1,500 tons of chum
 - to total 7,500 tons (compared to 7,000 tons the previous year)

Farmed Salmon

- 7,000 tons of trout (a 1,500 ton increase)
- 4,000 tons of Chilean silver salmon and other processed salmon (a 1,000 ton increase.)
 - The total volume of farmed salmon purchases will be approx. 11,000 tons.
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The total for both natural and farmed salmon will reach 18,500 tons (a 3,000 ton increase over last year.)

Purchases of domestic salmon are anticipated to reach 15,000 tons, a 1,000 ton increase.) Nichiro will also be handling 1,500 tons of lightly salted salmon for the supermarket trade. Nichiro's gross total for 2001 will likely reach 35,000 tons, a 13% increase from last year.

Nichiro will continue its efforts to recover the lost market share of sockeye salmon. Mr. Hiroshi Suzuki, Senior Managing Director of the company said, "We felt last year that we could get back our market share of sockeye salmon. We would like to proceed by balancing the demand for farmed salmon and maintaining our position as a purveyor of natural salmon. Our special project this year is to process chums in China and re-export to Japan and USA."

(Nikkan Suisan Keizai Newspaper, February 14, 2001)

New Salmon Menus at Fast Food Restaurants

New salmon and trout menus are selling briskly in fast food restaurants in Japan. MacDonalds began selling salmon burgers for a limit time, followed by The First Kitchen which introduced grilled smoked salmon sandwiches last month. Yoshinoya has been doing well with beef and salmon donburi (large bowls of rice with toppings) menus since 1997. As salmon is popular with Japanese consumers, there is a potential to increase demand in Western and Japanese style dishes at fast food restaurants.

As health conscious consumers are demanding new menus, the burger industry has been looking to seafood for new ideas. White fish and shrimp

were the previous choice, though salmon's unique taste and health benefits are now making it more popular. Sales have been good and taste testing reveals that young women appreciate the rich but low-calorie salmon. The pinks from Kamchatka, Sakhalin, Alaska, and Canada are used for cooked salmon in these food outlets.

(Nikkan Shokuryo Newspaper, February 14, 2001)

Salmon/Masu Inventory Trend
(End) December 2000

	Unit:Metric Tons					
	Dec-95	Dec-96	Dec-97	Dec-98	Dec-99	Dec-00
Nationwide						
Frozen Salmon	78,207	76,140	75,069	61,079	75,791	69,919
Frozen Masu	10,827	10,952	13,787	27,958	19,968	17,272
Salted Salmon	15,371	17,594	16,892	13,451	18,903	14,580
Salted Masu	1,875	1,628	1,975	1,883	2,520	2,208
F & S Salmon	89,034	87,092	88,856	74,530	94,694	84,499
F & S Masu	17,246	19,222	18,867	29,841	22,488	19,480
TOTAL:	106,280	106,314	107,723	104,371	117,182	103,979
Production Site						
Frozen Salmon	34,223	37,085	35,027	32,583	34,242	31,181
Frozen Masu	4,985	3,890	3,079	11,640	8,344	5,763
Salted Salmon	5,884	9,431	6,875	6,899	11,730	8,445
Salted Masu	921	834	912	1,131	1,866	1,590
F & S Salmon	39,208	40,975	38,106	39,482	45,972	39,626
F & S Masu	6,805	10,265	7,787	12,771	10,210	7,353
TOTAL:	46,013	51,240	45,893	52,253	56,182	46,979
Consumer Site						
Frozen Salmon	43,984	39,055	40,042	28,496	41,549	38,738
Frozen Masu	5,842	7,062	10,708	16,318	11,624	11,509
Salted Salmon	9,487	8,163	10,017	6,552	7,173	6,135
Salted Masu	954	794	1,063	752	654	618
F & S Salmon	49,826	46,117	50,750	35,048	48,722	44,873
F & S Masu	10,441	8,957	11,080	17,070	12,278	12,127
TOTAL:	60,267	55,074	61,830	52,118	61,000	57,000

Source: Nikkan Seafoods News, February 13, 2001

**Fisheries Inventory
(End) December 2000**

Unit:Metric Tons				
	End Nov	Dec (In)	Dec (Out)	End Dec
Fisheries Products				
Fresh	716	12,242	12,527	431
Frozen	1,269,995	494,641	518,202	1,246,434
Salted	86,738	28,938	44,109	71,567
Others	85,237	51,073	59,102	77,208
Total	1,442,686	586,894	633,940	1,395,640
Frozen				
Salmon	71,730	29,143	30,954	69,919
Masu	18,173	6,429	7,330	17,272
Herring	25,838	7,080	10,559	22,359
Pollock	4,600	3,315	4,219	3,696
Shrimp	82,992	38,819	43,880	77,931
Octopus	37,123	7,628	13,371	31,380
Pollock Surimi	56,236	24,536	27,217	53,555
Other Surimi	37,021	13,369	17,117	33,273
Salted				
Salmon	20,801	8,771	14,992	14,580
Masu	2,798	716	1,306	2,208
Pollock Roe	14,486	3,343	4,421	13,408
Salmon & Masu Roe	8,002	2,106	3,148	6,960
Kazunoko	7,246	2,394	6,089	3,551

Source: Ministry of Agriculture, Forestry and Fisheries
(Nikkan Seafoods News, dated February 13, 2001)

Roe Inventory Trend (End)December 2000

Unit:Metric
Tons

	Dec 95	Dec 96	Dec 97	Dec 98	Dec 99	Dec 00	Nov 00
Pollock roe							
Production site	3,509	3,302	4,640	5,256	4,417	3,748	3,788
Consumer Site	8,373	9,087	10,608	10,119	9,003	9,660	10,698
Total	11,882	12,389	15,248	15,375	13,420	13,408	14,486
Salmon & Masu roe							
Production site	2,040	2,433	2,007	1,708	1,872	1,779	2,091
Consumer Site	6,896	4,831	4,509	4,559	4,194	5,181	5,911
Total	8,936	7,264	6,516	6,267	6,066	6,960	8,002
Kazunoko							
Production site	1,221	1,902	2,311	1,886	1,639	1,344	2,562
Consumer Site	1,781	2,516	3,848	2,937	2,290	2,207	4,684
Total	3,002	4,418	6,159	4,823	3,929	3,551	7,246

Source: Ministry of Agriculture, Forestry and Fisheries
Nikkan Seafoods News, February 14, 2001.